



GOVERNMENT  
DEVELOPMENT  
BANK FOR  
PUERTO RICO

June 24, 2010

PO Box 42001  
San Juan, PR 00940-2001  
Telephone (787) 722-2525

Mr. Rubén Hernández Gregorat  
Executive Director and Secretary  
Public Works and Transportation Authority  
Puerto Rico Highway and Transportation  
Authority  
South Building - 7th Floor  
Minillas Government Center  
Santurce, Puerto Rico 00907

Dear Mr. Hernández:

The Board of Directors of the Government Development Bank for Puerto Rico (The Board at GDB) approved a line of credit in an amount of \$63,000,000 to the Puerto Rico Highway and Transportation Authority which will be used to fund payments due under two separate settlement agreements, thereby ending certain legal proceedings to which the Authority is a party; and other related actions. The Board at GDB approved the following terms and conditions:

1. The Authority of hereby authorized to enter into final settlement agreements with the Consortium and Acciona, respectively, under financial terms and payment schedule as least as favorable as those set forth in the MOUs; provided, that each of the President or the Executive Vice President of Financing and Treasury is hereby authorized and directed to negotiate and authorize the final settlement agreements on behalf of the Bank with such modifications as shall be approved by the President or the Executive Vice President of Financing and Treasury, such person's authorization to be conclusive evidence of the approval by the Board of any changes, insertions, or omissions therein.
2. A non-revolving line of credit in an amount of \$63,000,000, including a corresponding guarantee of payment, for the purpose of paying the settlement amounts due to the Consortium and Acciona, pursuant to final settlement agreements, as set forth above is hereby authorized (the "Loan").
3. The principal amount of the Loan shall mature and be due and payable on August 30, 2012. Said principal amount shall be payable from any available moneys of the Authority. The President of the Bank is hereby authorized to extend further, if necessary, the maturity date of the Loan from time to time, but in no event will the maturity of the Loan be extended beyond August 30, 2013. The Loan shall bear interest until paid in full at a rate or rates per annum determined in accordance with the Loan Agreement, to be entered by and between the Bank and the Authority (the "Loan Agreement"). Interest shall be payable monthly in arrears not later than the tenth Banking Day (as defined in the Loan Agreement) following receipt from the Bank of the statement referred to in the next sentence of this paragraph,

Mr. Rubén Hernández Gregorat  
Puerto Rico Ports Authority  
Line of credit for \$63mm  
June 24, 2010  
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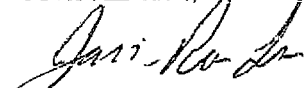
from any available moneys of the Authority. Each month the Bank shall furnish to the Authority a written statement showing the amount of interest due and payable by the Authority on the Loan for the preceding month. The Authority may prepay the Loan at any time without penalty or premium. The Loan shall be junior and subordinate to outstanding bonds of the Authority and shall be subject to certain other terms and conditions, to be included in the Loan Agreement.

4. In connection with the Loan, a guaranty of the punctual payment of the obligations of the Authority under the final settlement agreements, in form and substance acceptable to the Consortium and Acciona, respectively, is hereby authorized.
5. The execution and delivery by the President, any Executive Vice President, any Senior Vice President, or any Vice President of the Bank, of the Loan Agreement, and any related documents, by and between the Bank and the Authority are hereby authorized. Upon the execution and delivery of the Loan Agreement, the Authority shall execute a note in the principal amount of the Loan.
6. This Resolution is intended to be a declaration of official intent under U.S. Treasury Department Regulation Section 1.150-2.
7. The President, the Executive Vice President, any Senior Vice President, or any Vice President of the Bank are hereby authorized to take all actions necessary of them to carry out the provisions of this Resolution, and to include other terms and conditions necessary to protect the Bank's interest and to complete this transaction.

This Resolution shall take effect immediately upon its adoption.

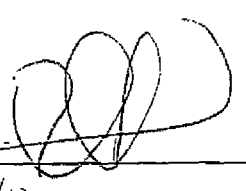
If you have any doubts, please contact Mr. Jesús M. García, Assistant Director or Mr. Arnaldo Maestre, Senior Executive to the (787)722-2525, extensions 5948 and 5961, respectively.

Cordialmente,



Javier Ramos Luiña  
Principal de Financiamiento

c Sr. Jesús M. García  
Sr. Arnaldo Maestre Pujals  
Sra. Miriam T. Pascual

Accepted by: 

Date: 7/13/10